

## Appendix 2- Preparation of the Annual Performance Plan

The Department implemented major changes in the FY 2000 Annual Performance Plan compared to the performance goal and measure structure used in the first Commerce Annual Performance Plan (FY 1999). As described in Appendix 2 of the FY 2000 Commerce Annual Performance Plan, significant consolidation of performance goals and measures was accomplished with a greater focus on outcome measures.

This year, the Deputy Secretary has made the Annual Performance Plan one of his top management priorities. Together with the Department's GPRA Task Force (involving members from each bureau, the Office of Inspector General and the Office of the Secretary) and Andersen Consulting, a small team of senior level policy officials and the Office of Budget has worked to strengthen the Department's goals and performance measures. These goals and measures are more precise and more relevant for managing our programs. In addition, we have better integrated the Annual Performance Plan process into the budget process. The Department also sought the active involvement of the bureau heads in the development of the plan.

In preparing the FY 2001 Annual Performance Plan, the Department of Commerce decided to maintain the basic performance goal and measure structure used in the FY 2000 Annual Performance Plan. There were two reasons for this decision. First, the FY 2000 Annual Performance Plan received highly favorable reviews from Congress and the General Accounting Office. Second, the revision of the Commerce Strategic Plan would be completed nine months after the submission of FY 2001 Annual Performance Plan, and, therefore, it could not fully reflect the changes in the new Strategic Plan.

The FY 2001 Commerce Annual Performance Plan incorporates numerous incremental changes and improvements compared to the FY 2000 edition. In particular, performance measures have been modified in many cases to respond to lessons learned after two years of experience with the implementation of GPRA-mandated Annual Performance Plans. Certain measures have been replaced with more suitable measures. These changes are described in the bureau presentations in Section III of this document.

### ***Stakeholder and Congressional Consultation***

After the submission of the FY 2000 Annual Performance Plan to Congress, the Department participated in several meetings with GAO, OMB and Congressional staff to discuss the document and receive input on how to improve the Plan. The major areas identified for improvement included:

- Increased specificity of performance goals, measures and targets where necessary;
- Improved presentation of budget data regarding budgetary resources associated with performance goals;
- Expanded discussion of coordination of crosscutting efforts;
- Elaboration of the linkages between strategies and resources with the achievement of annual goals and performance targets;
- Presentation of mitigation strategies for the effects of identified external factors; and
- Description of efforts to verify and validate performance data and to assess the implications of known performance data limitations.

With these areas defined, the Department began working on refinements to the Plan that could meet the needs of the bureaus as well as provide the information that OMB, GAO and Congressional staff sought.

### ***Requests for Administrative Waivers***

None.

